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Resolution No. 1720-11

Council Members Cummins, Westbrook, Zone, Cimperman, Cleveland, Mitchell, J. Johnson, Brancatelli, Brady, Polensek, Pruitt, Conwell, K. Johnson, Dow.

FOR ADOPTION

December 5, 2012

AN EMERGENCY RESOLUTION

Recognizing and supporting the principles of the Occupy Movement and the peaceful and lawful exercise of the First Amendment as a cherished and fundamental right in the effort to seek solutions for economically distressed Americans at the federal, state and local levels; committing to work with the Jackson administration to take steps to minimize economic insecurity and destructive disparities in the City of Cleveland; and requesting our County, State and U.S. elected leaders generate solutions for economically distressed Americans.

WHEREAS, Cleveland community members, like others across the United States, are frustrated by the continuing economic crisis that threatens individual, family, small local business and City finances, and our community's quality of life, and are participating in Occupy protests to make their voices heard; and

WHEREAS, the economic roots of these protests are varied, including sustained unemployment, growing income disparity, banking system failures, stalled earning power, and unjust tax systems, that all contribute to ongoing wealth disparities; and

WHEREAS, the political roots of these protests are also varied, including the growing political power of corporations, influence of money on elections and public policy and inability of average citizens to have their voices heard and needs met through formal political forums, thus contributing to citizens pursuing alternative political arenas; and

WHEREAS, this prolonged economic downturn has hurt nearly all Americans, in the areas of wealth loss, unemployment, and housing access, it has taken an even greater toll on people of color and women. Women are 29% more likely to be poor than men. The poverty rate for single mother families has increased to 40.7%. Economic gains made by people of color since the Civil Rights Movement have been substantially reduced by the Great Recession; and Caucasian Americans experienced a net wealth loss of 16 percent from 2005 to 2009. African Americans lost about half of their wealth and Latinos lost two-thirds of their wealth in this same period [Ref: Census Bureau, Income, Poverty, and Health Insurance Coverage in the United States: 2010; and

WHEREAS, more than 25 million Americans are unemployed and seeking work; more than 50 million Americans are living without health insurance; and, more than one in five American children are growing up in households living in poverty without sufficient resources to meet basic survival needs, such as food, clothing, and shelter [Ref: unemployed defined as unemployed, marginally attached to the labor force, or working only part-time for economic

reasons, U.S. Bureau of Labor Statistics, Table A-15. Alternative measures of labor under utilization]; and

WHEREAS, the U.S. Centers for Disease Control (CDC), in its report, a "CDC Health Disparities & Inequalities Report - United States, 2011" documents that income inequality in the United States is the highest among advanced industrialized nations, with wide-spread inequities in U.S. health outcomes by income, race, and gender; and

WHEREAS, over the past 30 years, gains in our economy have accrued largely to the top 1% of Americans, who now control 43% of the total net wealth, and to the next 19% on the top that control 50% of the wealth in the United States (top 20% controls 93% of wealth with the bottom 80% controlling only 7%) due in part to public policies that can be changed [Ref: Wealth Income and Power , by G. William Domhoff, UC Santa Cruz, 2011]; and

WHEREAS, one of the largest problems distressing our economy is the prolonged foreclosure crisis, with many owners struggling to obtain loan adjustments and too many banks continuing the use of flawed review procedures which end up flooding the housing market with foreclosures and result in blighted and de-valued housing stock due to the high number of properties being left vacant and abandoned and poorly maintained; and

WHEREAS, the Cleveland-Lorain-Elyria metropolitan area has been particularly hard-hit by the foreclosure crisis, ranking 27th of 366 metropolitan statistical areas in the rate of foreclosures (8.2%) according to a March, 2011 ranking compiled by an analysis of LPS Applied Analytics Data by Local Initiatives Support Corporation (LISC); and

WHEREAS, the Cleveland-Lorain-Elyria metropolitan areas ranked eighth amongst the nation's 25 largest metro areas in its percentage of underwater mortgages (41.5%) according to third quarter 2011 data provided by Zillow Real Estate Market reports; and

WHEREAS, local governments are straining under the increasing weight of responsibility to provide for basic support services at a time of declining tax revenues and as a result of budget reductions by the state and federal government; and

WHEREAS, the structural causes of the economic crisis facing our society require decisive and sustained action at the national and state levels. Cities are harmed by the crisis and must play an important role in the development of public policy to address it; and

WHEREAS, this Council commits to working with the Jackson administration to continue taking steps to minimize economic insecurity and destructive disparities in the City by:

1. following the City's Community Reinvestment Act practices to ensure that public funds are invested in responsible financial institutions that demonstrate strong support for our community. The Council may also consider future legislation to promote responsible banking and provide an incentive for banking institutions to invest more in our City, particularly with regard to stabilizing the housing market and supporting the creation of new businesses. This review should include evaluating City policies on responsible depositing and management of City funds;

2. examining the number of home foreclosures in Cleveland, the geographic neighborhoods in which the foreclosures are occurring, and lender information on homes involved in the foreclosure process, including real estate owned homes; working with the Cuyahoga County Land Bank, the City of Cleveland Housing Court, and Case Western Reserve University's NEOCanDo to gather qualitative data on the circumstances and causes of foreclosures and the foreclosure methods and practices of lenders, including reviewing apparent inequities many people in Cleveland face when lender foreclosure proceedings occur;
3. consulting with advocates of tax reform and experts on equitable taxation and review past tax reform efforts in order to work effectively with the County and State Legislature toward a more equitable tax structure;
4. as federal and state assistance dwindles, continuing to use available resources to provide assistance for the most vulnerable people in Cleveland; and
5. because reforms in education and career preparation are essential for building a viable future and disparities in these areas begin very early in life and often continue through adulthood, seeking maximum possible funding for Early Learning and Basic Education in the State Legislative Agenda; and recognizing the critical importance of supporting community colleges, technical colleges, and state universities as they provide access to retraining and workforce development opportunities; and

WHEREAS, Congress must generate solutions for economically distressed Americans by:

1. Supporting job creation, making substantial investments in the nation's critical physical and technological infrastructure, and reducing the deficit by adopting fiscal policies with equitable corporate and individual taxation and by allowing the 2010 extension of President Bush's tax cuts to expire in 2012 as the law currently requires;
2. Tightening regulation of the banking and financial sector, including adoption of new rules and vigorous investigation and prosecution of individuals and corporations that violate the fraud, theft, and securities laws; and
3. Retaining or increasing community-building block grants for local schools and social services and protect public education from devastating cuts and prevent tuition levels that block fair access to higher education; and

WHEREAS, this Council does not condone actions that infringe upon the lawful rights of others, obstruct or interfere with the efforts of law enforcement officers to protect such rights, or cause personal injury or property destruction; and **WHEREAS**, Americans can and must resolve the divisive economic and social realities facing our nation in a peaceful way that honors our commitment to democracy, equality and justice; and

WHEREAS, this resolution constitutes an emergency measure for the immediate preservation of public peace, property, health, or safety, now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CLEVELAND:

Section 1.

That this Council recognizes and supports the principles of the Occupy Movement and the peaceful and lawful exercise of the First Amendment as a cherished and fundamental right in the effort to seek solutions for economically distressed Americans at the federal, state and local levels.

Section 2.

That this Council commits to working with the Jackson administration to continue taking steps to minimize economic insecurity and destructive disparities in the City of Cleveland.

Section 3.

That this Council requests our Congressional leaders generate solutions for economically distressed Americans.

Section 4.

That the Clerk of Council is directed to transmit copies of this resolution to President Barack Obama and all members of the U.S. Congress.

Section 5.

That this resolution is hereby declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all the members elected to Council, it shall take effect and be in force immediately upon its adoption and approval by the Mayor; otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

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